

AMENDED IN SENATE MAY 21, 2009

AMENDED IN SENATE APRIL 27, 2009

AMENDED IN SENATE APRIL 20, 2009

**SENATE BILL**

**No. 410**

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**Introduced by Senator Ducheny**

February 26, 2009

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An act to amend Sections 9600.5, 14000, and 14230 of, and to add Section 14230.7 to, the Unemployment Insurance Code, relating to workforce investment.

LEGISLATIVE COUNSEL'S DIGEST

SB 410, as amended, Ducheny. California Workforce Investment Act: federal funding.

(1) The federal Workforce Investment Act of 1998 provides for workforce investment activities, including activities in which states may participate. Existing law contains various programs for job training and employment investment, including work incentive and employment training outreach programs. Existing law establishes local workforce investment boards to implement and administer various workforce training and development programs in the state, and requires those local boards to establish at least one comprehensive one-stop career center in each local workforce investment area. Existing law further declares that it is the intent of the Legislature to deliver comprehensive workforce services to jobseekers, students, and employers at those comprehensive one-stop career centers to, among other things, make job outreach, intake, job search and placement assistance, and other related services available in one location.

This bill would also declare that it is the intent of the Legislature that other intensive services, such as out-of-area job search assistance, literacy activities related to workforce readiness, relocation assistance, internships, financial assistance, and work experience programs also be provided at those one-stop career centers to individuals who have met specified requirements, based on an assessment or individual employment plan. The bill would prescribe eligibility criteria for recipients of financial assistance in the form of needs-related payments, *as described*, and would require the one-stop career centers, given sufficient resources, to take various actions with respect to the coordination and delivery of supportive services, as described, to individuals who are enrolled in job training programs. The bill also would require local boards to develop a policy on supportive services, as specified. By imposing new duties on local entities, the bill would impose a state-mandated local program.

(2) Existing law requires the Employment Development Department to report annually to the Governor, the Legislature, and the California Workforce Investment Board, no later than November 30, regarding the training expenditures made by local workforce investment boards in the prior fiscal year, as provided.

This bill would revise the above reporting requirement, as specified.

(3) Existing law establishes the California Workforce Investment Board (CWIB), and requires the CWIB to assist the Governor with promoting the development, oversight, and continuous development of a well-educated and highly skilled workforce, and development of the State Workforce Investment Plan.

This bill would require the CWIB to develop policies, funding recommendations, and strategies that will maximize funding across all workforce programs for developing and enhancing the skills of Californians in order to meet the needs of California's businesses, as specified. The bill would require funding available through the federal American Recovery and Reinvestment Act of 2009 to be for increasing training services, and would require training priorities to be consistent with those identified in that act.

(4) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state,

reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1 SECTION 1. The Legislature finds and declares the following:

2 (a) California's unemployment rate has increased dramatically  
3 in recent months, and now stands at a rate of approximately ~~10.5~~  
4 *11.5* percent statewide. Over ~~30~~ *45* of California's counties have  
5 unemployment rates at or above 10 percent, and in the last year,  
6 approximately 650,000 Californians have lost their jobs while the  
7 total number of unemployed individuals in the state has risen to  
8 over 1.7 million.

9 (b) Ensuring access to, and increasing the availability of, job  
10 training, supportive services needed for unemployed individuals  
11 to successfully enter and complete job training programs, and work  
12 experience for youth and adults are vital to California's economy  
13 and will help to ensure the survival of the state's businesses and  
14 industry during challenging times.

15 (c) Federal funding assistance for employment training is  
16 critically needed to put Californians back to work.

17 (d) Leveraging existing resources, through collaboration among  
18 local workforce investment boards, community colleges, adult  
19 education programs, including adult basic education,  
20 English-as-a-second-language programs, regional occupational  
21 programs and centers, and other publicly funded educational  
22 institutions, in addition to registered apprenticeship and  
23 preapprenticeship programs, is an effective way to increase the  
24 number of Californians who have access to job training  
25 opportunities.

26 SEC. 2. Section 9600.5 of the Unemployment Insurance Code  
27 is amended to read:

28 9600.5. The director of the Employment Development  
29 Department shall report annually to the Governor, the Legislature,  
30 and the California Workforce Investment Board, no later than  
31 November 30, regarding the training expenditures made by local  
32 workforce investment boards in the prior fiscal year. This shall  
33 include funds made available to California through the American

1 Recovery and Reinvestment Act of 2009 (Public Law 111-5). The  
2 department shall specify what expenditures qualify as training  
3 expenditures, including, but not limited to, the price paid for  
4 classroom instruction or other training opportunities, contracted  
5 services for customized training and on-the-job training,  
6 development of training materials, and services provided in  
7 one-stop career centers, such as supportive services, including  
8 coaching and case management, that enable a participant to attend  
9 and complete training. The annual report shall specify the total  
10 amount of federal funding provided to the state and to each of the  
11 local workforce investment boards for the adult and dislocated  
12 persons programs and the amount within each program expended  
13 for training services. The report shall also include training  
14 expenditures incurred by organizations funded by the Governor's  
15 15 percent discretionary fund from the Workforce Investment Act  
16 of 1998 (Public Law 105-220).

17 SEC. 3. Section 14000 of the Unemployment Insurance Code  
18 is amended to read:

19 14000. (a) The Legislature finds and declares that, in order  
20 for California to remain prosperous and globally competitive, it  
21 needs to have a highly skilled workforce.

22 (b) The Legislature recognizes all of the following:

23 (1) California must transform its current job training, job  
24 placement, and vocational education programs into an integrated,  
25 accessible, and accountable workforce investment system that can  
26 effectively serve job seekers, students, and employers.

27 (2) California's workforce investment system must provide  
28 lifelong learning for all Californians, promote self-sufficiency,  
29 link education and training to economic development, and prepare  
30 California to successfully compete in the global economy.

31 (3) The programs described in paragraphs (1) and (2) must be  
32 accessible to all Californians, including persons with economic,  
33 physical, or other barriers to employment.

34 (c) The California Workforce Investment Board shall develop  
35 policies, funding recommendations, and strategies that will  
36 maximize funding across all workforce programs for developing  
37 and enhancing the skills of Californians in order to meet the needs  
38 of California's businesses. To do this, it shall use the following  
39 guiding principles:

1 (1) Investing in regional workforce and economic development  
2 strategies to build prosperous communities and competitive  
3 industries.

4 (2) Providing all Californians with access to high-quality  
5 postsecondary education and skills training.

6 (3) Providing working adults with opportunities to move up the  
7 skill ladder.

8 (4) Linking workforce preparation and institutions to create  
9 pathways to high wage jobs.

10 (5) Aligning program goals and measures to achieve a shared  
11 vision of California's future and to ensure accountability.

12 (d) Individuals who are recently laid off from work need to  
13 quickly access job training and develop necessary skills to reenter  
14 the labor force. It is the intent of the Legislature that local  
15 workforce investment boards and community colleges develop  
16 innovative strategies to provide training that accommodates the  
17 needs of unemployed or underemployed adults, can provide  
18 certificates and credentials through flexible schedules, and  
19 implement new approaches to delivering job skills training and  
20 education.

21 (e) Priority for funding available through the American Recovery  
22 and Reinvestment Act of 2009 (Public Law 111-5) to local  
23 workforce investment boards shall be used for increasing training  
24 services insofar as is consistent with that act. This funding shall  
25 not supplant funds currently being spent on training, nor decrease  
26 the leveraging of resources among training institutions and  
27 workforce investment boards. Training priorities shall be consistent  
28 with those identified in the American Recovery and Reinvestment  
29 Act of 2009 (Public Law 111-5), including green jobs and health  
30 care.

31 SEC. 4. Section 14230 of the Unemployment Insurance Code  
32 is amended to read:

33 14230. (a) It is the intent of the Legislature that:

34 (1) California deliver comprehensive workforce services to  
35 jobseekers, students, and employers through a system of one-stop  
36 career centers.

37 (2) Services and resources target high-wage industry sectors  
38 with career advancement opportunities.

39 (3) Universal access to core services shall be available to adult  
40 residents regardless of income, education, employment barriers,

1 or other eligibility requirements. Core services shall include, but  
2 not be limited to:

3 (A) Outreach, intake, and orientation to services available  
4 through the one-stop delivery system.

5 (B) Initial assessment of skill levels, aptitudes, abilities, and  
6 supportive service needs.

7 (C) Job search and placement assistance.

8 (D) Career counseling, where appropriate.

9 (E) Provision of labor market information.

10 (F) Provision of program performance and cost information on  
11 eligible providers of training services and local area performance  
12 measures.

13 (G) Provision of information on supportive services in the local  
14 area.

15 (H) Provision of information on the filing of claims for  
16 unemployment compensation benefits and unemployment  
17 compensation disability benefits.

18 (I) Assistance in establishing eligibility for welfare-to-work  
19 activities pursuant to Section 11325.8 of the Welfare and  
20 Institutions Code, and financial aid assistance.

21 (4) State and federally funded workforce education, training,  
22 and employment programs shall be integrated in the one-stop  
23 delivery system to achieve universal access to the core services  
24 described in paragraph (3).

25 (5) (A) Intensive services shall be available to individuals who  
26 have completed at least one core service, have been unable to  
27 obtain employment, and who have been determined, by the  
28 one-stop operator, as being in need of more intensive services, or  
29 who are employed but in need of intensive services to obtain or  
30 retain employment to achieve self-sufficiency.

31 (B) Intensive services may include comprehensive and  
32 specialized assessments of skill levels and service needs, including  
33 learning disability screening, the development of individual  
34 employment plans, counseling, career planning, and short-term  
35 prevocational services to prepare an individual for training and  
36 employment.

37 (C) Other intensive services such as out-of-area job search  
38 assistance, literacy activities related to workforce readiness,  
39 relocation assistance, internships, and work experience programs  
40 may be made available to individuals who have met the

1 requirements for intensive services based on an assessment or  
2 individual employment plan.

3 (D) For the purposes of this paragraph, “work experience” means  
4 a planned, structured, learning experience that takes place in a  
5 workplace for a limited period of time. Work experience may be  
6 paid or unpaid, as appropriate. A work experience workplace may  
7 be in the private for-profit sector, the nonprofit sector, or the public  
8 sector. Labor standards shall apply in any work experience where  
9 an employee-employer relationship, as defined by the Fair Labor  
10 Standards Act (29 U.S.C. Sec. 201, et seq.), exists.

11 (6) Training services shall be made available to individuals who  
12 have met the requirements for intensive services, have been unable  
13 to obtain or retain employment through these services, and who,  
14 after an interview, evaluation, or assessment, are determined to be  
15 in need of training, and have selected a program of services directly  
16 linked to occupations in demand in the local or regional area.  
17 Training services may include:

18 (A) Occupational skill training including training for  
19 nontraditional employment.

20 (B) On-the-job training.

21 (C) Programs that combine workplace training with related  
22 instruction.

23 (D) Training programs operated by the private sector.

24 (E) Skill upgrading and retraining.

25 (F) Entrepreneurial training.

26 (G) Job readiness training.

27 (H) Adult education and literacy activities, including vocational  
28 English as a second language, provided in combination with  
29 subparagraphs (A) through (G), inclusive.

30 (I) Preapprenticeship and registered apprenticeship training.  
31 For the purposes of this section, entrance into a registered  
32 apprenticeship program shall be considered placement into a job.

33 (J) Customized training conducted by an employer or a group  
34 of employers or a labor-management training partnership with a  
35 commitment to employ an individual upon completion of the  
36 training.

37 (7) As prescribed in the Workforce Investment Act of 1998,  
38 when funds are limited, priority for intensive services and training  
39 services shall be given to adult recipients of public assistance and  
40 other low-income adults, such as CalWORKs participants.

(b) Each local workforce investment board shall establish at least one full service one-stop career center in the local workforce investment area. Each full service one-stop career center shall have all entities specified in Section 14231 as partners and shall provide jobseekers with integrated employment, education, training, and job search services. Additionally, employers will be provided with access to comprehensive career and labor market information, job placement, economic development information, performance and program information on service providers, and other such services as the businesses in the community may require.

(c) Local boards may also establish affiliated and specialized centers, as defined in the Workforce Investment Act of 1998, which shall act as portals into the larger local one-stop system, but are not required to have all of the partners specified for full service one-stop centers.

(d) Each local board shall develop a policy for identifying individuals who, because of their skills or experience, should be referred immediately to training services. This policy, along with the methods for referral of individuals between the one-stop operators and the one-stop partners for appropriate services and activities, shall be contained in the memorandum of understanding between the local board and the one-stop partners.

(e) In light of California's diverse population, each one-stop career center should have the capacity to provide the appropriate services to the full range of languages and cultures represented in the community served by the one-stop career center.

SEC. 5. Section 14230.7 is added to the Unemployment Insurance Code, to read:

14230.7. (a) (1) One-stop career centers, if given sufficient resources, shall coordinate with training providers and educational institutions and agencies to deliver comprehensive supportive services to individuals enrolled in job training programs. Supportive services may include, but are not limited to, transportation, child care, dependent care, housing, and needs-related payments that are necessary to enable a person to participate in the workforce training and development activities authorized under this division. The provision of needs-related payments that provide financial assistance to participants for the purpose of enabling those individuals to participate in training is one of the supportive services authorized by Section 134(e)(3) of

1 the federal Workforce Investment Act of 1998. *Comprehensive*  
2 *supportive services shall only be provided to individuals who are*  
3 *participating in job training programs.*

4 (2) To receive needs-related payments, adult participants shall  
5 meet all of the following criteria:

6 (A) Be unemployed.

7 (B) Not qualify for, or have ceased qualifying for,  
8 unemployment compensation.

9 (C) Be enrolled in a program of training services.

10 (3) (A) To receive needs-related payments, a dislocated worker  
11 shall meet all of the following criteria:

12 (i) Be unemployed.

13 (ii) Not qualify for, or have ceased qualifying for, unemployment  
14 compensation or assistance under the federal Trade Assistance Act  
15 of 1994 (15 U.S.C. Sec. 6211 et seq.).

16 (iii) Be enrolled in a program of training services authorized  
17 under the federal Workforce Investment Act of 1998 (29 U.S.C.  
18 Sec. 2801 et seq.) by the end of the 13th week after the worker's  
19 most recent layoff that resulted in a determination of the worker's  
20 eligibility as a dislocated worker, or, if later, by the end of the  
21 eighth week after the worker is informed that a short-term layoff  
22 will exceed six months.

23 (B) For purposes of this paragraph "dislocated worker" means  
24 a dislocated worker as defined in Section 2801(9) of Title 29 of  
25 the United States Code.

26 (4) *For purposes of this subdivision, "needs-related payments"*  
27 *includes any financial assistance provided to a participant in a*  
28 *job training program to enable that participant to access*  
29 *supportive services that will facilitate participation in, and*  
30 *completion of a job training program that may include instruction*  
31 *in basic skills, occupational skills development, or other classroom*  
32 *instruction. "Needs related-payments" also includes any cash*  
33 *assistance provided to a participant in a job training program to*  
34 *allow the participant to directly pay for or purchase supportive*  
35 *services.*

36 (b) Local boards shall develop a policy, in consultation with  
37 one-stop career center partners and other community service  
38 providers, to ensure resource and service coordination in the local  
39 workforce area. The policy shall address procedures for the referral

1 of unemployed individuals to providers of supportive services and  
2 funding options to cover the cost of providing those services.

3 (c) Supportive services under this section shall only be provided  
4 to individuals who are enrolled in training services, but who are  
5 unable to obtain those supportive services from other state  
6 programs that offer similar services.

7 (d) Local boards may establish limits on the provision of  
8 supportive services pursuant to this section, including a limit on  
9 the maximum amount of funding and maximum length of time for  
10 providing support services to eligible participants.

11 SEC. 6. If the Commission on State Mandates determines that  
12 this act contains costs mandated by the state, reimbursement to  
13 local agencies and school districts for those costs shall be made  
14 pursuant to Part 7 (commencing with Section 17500) of Division  
15 4 of Title 2 of the Government Code.